

Office of the Secretary, DHS

§ 11.10

(h) *Payment agency's responsibilities.*

(1) As required by 5 CFR 550.1109, if the employee separates from the payment agency from which DHS requested salary offset, the payment agency must certify the total amount of its collection and notify DHS and the employee of the amounts collected. If the payment agency is aware that the employee is entitled to payments from the Civil Service Retirement Fund and Disability Fund, the Federal Employee Retirement System, or other similar payments, it must provide written notification to the agency responsible for making such retirement payments that the debtor owes a debt, the amount of the debt, and that DHS has complied with the provisions of this section. DHS must submit a properly certified claim to the new payment agency before the collection can be made.

(2) If the employee is already separated from employment and all payments due from his or her former payment agency have been made, DHS may request that money due and payable to the employee from the Civil Service Retirement Fund and Disability Fund, the Federal Employee Retirement System, or other similar funds, is administratively offset to collect the debt. Generally, DHS will collect such monies through the Treasury Offset Program as described in this section.

(3) When an employee transfers to another agency, DHS should resume collection with the employee's new payment agency in order to continue salary offset.

§ 11.5 Administrative wage garnishment.

DHS may collect debts from a debtor's wages by means of administrative wage garnishment in accordance with the requirements of 31 U.S.C. 3720D under the procedures established in 31 CFR 285.11.

§ 11.6 Reporting debts.

DHS will report delinquent debts to credit bureaus and other automated databases in accordance with 31 U.S.C. 3711(e), 31 CFR 901.4, and the Office of Management and Budget Circular A-129, "Policies for Federal Credit Programs and Non-tax Receivables,"

which may be found at <http://www.fms.treas.gov/debt>. At least sixty (60) days prior to reporting a delinquent debt to a consumer reporting agency, DHS sends a notice to the debtor in accordance with 6 CFR 11.3. DHS may authorize the Treasury Department's Financial Management Service to report to credit bureaus those delinquent debts that have been transferred to the Financial Management Service for administrative offset.

§ 11.7 Private collection agencies.

DHS will transfer delinquent DHS debts to the Treasury Department's Financial Management Service to obtain debt collection services provided by private collection agencies.

§ 11.8 Suspension or revocation of eligibility for loans and loan guarantees, licenses, permits, or privileges.

The authority to extend financial assistance in the form of a loan, loan guarantee, or loan insurance to any person delinquent on a nontax debt owed to DHS is delegated to the Chief Financial Officer.

§ 11.9 Collection in installments.

DHS may accept payment of a DHS debt in regular installments, in accordance with the provisions of 31 CFR 901.8 and policies and procedures adopted by the Chief Financial Officer (CFO). The CFO will consult the Office of General Counsel regarding a legally enforceable written agreement from the debtor.

§ 11.10 Interest, penalty charges, and administrative costs.

(a) *Assessment and notice.* DHS shall assess interest, penalties and administrative costs on DHS debts in accordance with 31 U.S.C. 3717 and 31 CFR 901.9. Administrative costs of processing and handling a delinquent debt shall be determined by DHS.

(b) *Waiver of interest, penalties, and administrative costs.* DHS may waive interest, penalties, and administrative costs, or any portion thereof, under the criteria in the FCCS, or when it determines the collection of these charges would be against equity and good conscience or not in the best interests of the United States. The authority to